

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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May 4, 2004

FROM: THOMAS L. SUTTON, Interim Director
Special Districts Department

**SUBJECT: AGREEMENT WITH ARTHUR SHORT FOR REIMBURSEMENT OF COSTS
TO CONSTRUCT A WATER MAINLINE EXTENSION IN COUNTY SERVICE
AREA 70, IMPROVEMENT ZONE L (CSA 70L).**

RECOMMENDATION: Acting as the governing body of County Service Area 70, Improvement Zone L (Phelan/Pinon Hills), approve Agreement No. _____ with Arthur Short, in the amount of \$27,278, for reimbursement to this property owner for the cost of constructing a water mainline extension that was subsequently accepted by the water district.

BACKGROUND INFORMATION: The Special Districts Department, Water and Sanitation Division, manages, operates and maintains water facilities in County Service Area 70, Improvement Zone L (CSA 70 L) to provide water service to the residents of this area. Mr. Short, a resident in Phelan, desired service from CSA 70L and requested that his property be annexed into the District. The annexation action was approved by the Board of Supervisors on April 27, 2004.

Mr. Short constructed approximately 1,500 linear feet of 8-inch diameter PVC pipe and appurtenances (valves and fire hydrants) at a cost of \$52,118, including engineering and permit fees. The pipeline and appurtenances were constructed under District inspection, granted to the District via Grant Deed, and a Maintenance Bond at 10% of the construction costs posted on March 31, 2003. The District accepted the line for service on April 5, 2003.

Mr. Short has requested reimbursement, and a Special District Department ordinance provides for such reimbursement. Ordinance Number SD 82-1 of the County of San Bernardino, entitled "An Ordinance of Named Special Districts and County Service Areas Regulating the Construction and Use of Public Water System Facilities" (hereinafter called Ordinance) provides in Section 1.8.08, that where public water main extensions are constructed and paid for by Applicant and in the future benefit another person, the Applicant and the District may enter into an agreement to reimburse to the Applicant the actual costs of constructing such extensions when a new owner has paid a charge to connect to the extension constructed by the Applicant.

A cost breakdown, based on area of benefit, was prepared by the District Engineer and identified the following four properties and their proportionate share of the project costs for reimbursement to Mr. Short. The District has included in the amount collected the authorized 15% administrative fee to cover the costs of preparation and processing and administration of the agreement.

<u>Parcel Number</u>	<u>No. of Acres</u>	<u>Amount Collected By District</u>	<u>Reimbursement to Mr. Short</u>
APN 3037-191-01	2.07	\$ 3,539	\$ 3,077
APN 3037-191-04	7.31	\$ 12,497	\$ 10,867
APN 3037-191-11	8.97	\$ 15,334	\$ 13,334
APN 3037-371-01	<u>16.71</u>	<u>\$ 28,568</u>	<u>\$ 0.00</u>
Totals	35.06	\$ 59,938	\$ 27,278

Record of Action of the Board of Supervisors

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AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH MR. ARTHUR SHORT FOR REIMBURSEMENT OF COSTS TO CONSTRUCT A WATER MAINLINE EXTENSION IN COUNTY SERVICE AREA 70, IMPROVEMENT ZONE L (CSA 70 L)

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The last parcel listed above (APN 3037-371-01), represents Mr. Short's property obligation based on area of benefit, and the District will not collect from or refund to Mr. Short. The owners of the first three parcels listed above have paid their proportionate share of costs associated with the construction of the waterline.

Approval of this Agreement will provide reimbursement to Mr. Arthur Short in the amount of \$27,278 for the proportionate share of costs of construction incurred by Mr. Short for three other parcels that benefit from the installation of a water mainline, thus connecting these parcels to CSA 70 L water service.

REVIEW AND APPROVAL BY OTHERS: This action has been reviewed and approved by County Counsel (L. Thomas Krahelski, Deputy, 387-5436) on April 7, 2004, and by the County Administrative Office (Wayne Thies, Administrative Analyst, 387-5409) on April 23, 2004.

FINANCIAL IMPACT: The Agreement specifies on Exhibit B that the total reimbursement to Mr. Short will be \$27,278 for costs incurred related to the waterline extension. The District has collected \$31,370 from the owners of the three other parcels who benefit from the extension, and reimbursement to Mr. Short will be made from the CSA 70 L operating budget ECG 170 using these collected funds.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the Department's proposal and recommends this action because reimbursement to Mr. Short will ultimately be funded by CSA 70L customers that have benefited from this waterline extension. There is no impact on the County General Fund.

SUPERVISORIAL DISTRICT(S): First

PRESENTER: Thomas L. Sutton 387-9625